

**Town of Sunset Beach  
Council  
2011-2012 Budget Work Session  
May 16, 2011**

**Members Present:** Mayor Ronald Klein, Mayor Pro-Tem Lou DeVita, Councilman Bob Bobinski, Councilwoman Karen Joseph, Councilwoman Carol Scott, and Councilman Wilson Sherrill.

**Members absent:** None

**Staff Present:** Gary Parker, Town Administrator; Donna Rogers, Finance Director; Dustin Graham, Public Works Department Director; Chris Barbee, Fire Chief; Lisa Massey, Police Chief and Lisa Anglin, Town Clerk.

Mayor Klein called the Budget Work Session to order at 9:00 am.

**General Fund Expense Budget**

**Page 1 of 30 – Governing Body (4110)**

Gary Parker advised the Council that 10-4110-299 Town Festival will need to be increased from \$0 to \$13,000 to compensate for the Sunset at Sunset expenses and the same amount will be added in the revenue section to compensate for the income to be received. Department Total = \$32,730.

**Pages 2 - 4 of 30 – Administration (4120)**

Gary Parker advised the Council that the Salaries & Wages line item in each department includes a 2.5% COLA. After a discussion concerning merits and COLA, the Council reached a consensus to continue the discussion after all the expense accounts have been reviewed. No changes noted.

**Page 5 of 30 – Finance (4130)**

Due to a clerical error in 10-4130-122 Longevity, this account was decreased to \$762 from \$7,612.00. Department Total = \$127,039.

**Page 6 of 30 – Tax (4140)**

Due to the recent property re-evaluation resulting in an overall decrease, 10-4130-383 Collection Fee .75% was decreased from \$22,000 to \$18,000. Department Total = \$18,600.

**Page 7 of 30 – Legal (4150)**

No changes noted.

**Page 8 of 30 – Elections (4170)**

No changes noted.

**General Fund Expense Budget (Cont.)**

**Page 9 of 30 – Public Buildings (4190)**

The Council reached a consensus to increase 10-4190-351 Grounds Maintenance & Beautification to \$6,000 from \$5,000 for the Beautification Committee plantings. Department Total = \$396,892.

**Pages 10 – 12 of 30 – Police (4310)**

The Council reached a consensus to decrease 10-4310-353 Vehicle Maintenance & Repairs from \$20,000 to \$9,000. The Council reached a consensus to purchase a police vehicle as per the replacement schedule and increased 10-4310-550 Department Vehicles to \$28,000 from \$0. Department Total = \$1,380,441.

**Pages 13 – 15 of 30 – Fire (4340)**

No changes noted.

**Pages 16 – 17 of 30 – Inspections (4350)**

Gary Parker advised that 10-4350-183 Medical/Vision/Dental/Life Insurance needs to be decreased from \$37,061 to \$32,061 due to staff reduction. Department Total = \$361,465.

**Pages 18 - 19 of 30 – Streets (4510)**

Gary Parker advised the Council that a portion of the employee salary to handle the garbage removal from the strand is in this Salary & Wages account as well as in the Beach Strand account. The Council discussed employee training needed for the streetscape and bridge landscaping projects. Staff will contact Brunswick Community College to determine cost and advise Council for inclusion in the budget. The Council discussed paving the streets not affected by the sewer project.

**Page 20 of 30 – Sanitation (4710)**

The Council reached a consensus to increase 10-4710-401 Recycle to \$6,400 from \$0 to compensate for the island recycle bin. Department Total = \$198,400.

The Council recessed for lunch at 12:45 pm and reconvened at 2:00 pm.

**Page 21 of 30 – Environmental Protection (4730)**

No changes noted.

**Page 22 of 30 – Planning/Zoning (4910)**

No changes noted.

**Page 23 of 30 – Economic Development (4920)**

The Council discussed comments heard from area merchants concerning displeasure with Chamber of Commerce representation. The Council requested Staff to contact the surrounding municipalities to compare the amount of Chamber of Commerce donations being made.

**Page 24 of 30 – Cultural Resources (4930)**

No changes noted.

**General Fund Expense Budget (Cont.)**

**Pages 25 – 26 of 30 – Beach Strand (4960)**

The Council discussed the walkway repairs needed and appearance issues. The Council reached a consensus to increase 10-4960-240 Construction & Repair Walkway to \$130,000 from \$20,000. Department Total = \$190,710. The Council discussed solar trash cans to replace some of the cans currently being used; grant funding is available. Mayor Pro-Tem DeVita will contact the company to make a presentation during the June 21<sup>st</sup> work session.

**Page 27 of 30 – Human Services (5160)**

The Council reached a consensus to increase 10-5160-697 Consortium Local Match to \$1,000 from \$0 to compensate for the Brunswick Beaches Consortium membership dues. The Council discussed the organizations that have requested donations totaling \$25,500. The Council reached a consensus to make the following changes to 10-5160-699 Donations to Organizations:

- Add \$1,000 for Brunswick Family Assistance contingent upon the Town receiving a current financial statement.
- Send a letter along with the requested donation of \$3,500 to Twin Lakes concerning the appearance of the shrubs.
- Send Shoreline E. Pond Association a donation of \$3,500
- Send the Ingram Planetarium a \$12,500 donation along with a letter informing to the new Executive Director of the existing agreement with the Town and that the donation amount is declining annually.
- Send Brunswick County Literacy Council a \$1,000 donation
- Send Lower Cape Fear Hospice a \$1,000 donation
- Send Communities in Schools a \$1,000 donation
- Send Hope Harbor a \$1,000 donation

The above changes resulted in a decrease for 10-5160-699 Donations to Organizations from \$25,500 to \$24,500. The department total was unchanged due to the increase of \$1,000 in 10-5160-697 Consortium Local Match. Department Total = \$25,500.

**Page 28 of 30 – Mosquito (5182)**

No changes noted.

**Page 29 of 30 – Town Reserves for SR Funds (9840)**

The Council discussed the importance and need to fund the special revenue accounts however no changes were noted.

**Page 30 of 30 – Special Security/Audit Fund (9999)**

No changes noted.

**General Fund Revenue Budget**

Gary Parker advised the Council that 10-3194-110 Current Year Tax is proposed with maintaining the current tax rate of .09¢. Due to the recent property re-evaluation, the tax rate to remain revenue neutral would increase to 12.5¢. The Council had a brief discussion concerning the tax rate but no changes were noted.

**General Fund Revenue Budget (Cont.)**

Gary Parker advised the Council that the Estimated Entire Year column for the State appropriated funds was incorrect due to computer generated calculations and made the following corrections:

• 10-3231-351	1% Local Option Sales 39	\$262,548
• 10-3232-351	½% LOC OPT Sales Tax 40	\$146,688
• 10-3233-351	½% LOC OPT Sales Tax 42	\$134,052
• 10-3235-351	City Hold Harmless	\$129,816

After discussion of the estimated State appropriated funds, the Council reached a consensus to decreased 10-3231-351 1% Local Option Sales 39 from \$305,000 to \$275,000. To compensate for the Sunset at Sunset Income, the Council reached a consensus to increase 10-3981-980 Transfer From to \$413,000 from \$400,000.

**Powell Bill Revenue and Expense Budget**

The Council reviewed the Powell Bill Revenue and Expense Budget; no changes noted.

**Conclusion**

The Expense Budget increased by the aforementioned changes totaling \$131,550; the overall Expense Budget increased to \$5,419,173. Before finalizing the Expense Budget, the Council will consider and make a determination for the following expenses:

- Merits/COLA for staff members
- Employee training for the Public Works Department
- Chamber of Commerce donation
- Special Revenue Fund contributions.

The Revenue Budget decreased by the aforementioned changes totaling \$17,000; the overall Revenue Budget decreased to \$5,270,623. Before finalizing the Revenue Budget, the Council will consider a tax rate increase or general fund appropriations needed to balance the budget.

The Council will meet on June 13, 2011 at 9:00 am in the Town Hall Conference Room to continue the budget process.

The meeting adjourned at 4:45 pm.

Town of Sunset Beach

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Ronald F. Klein, Mayor

Submitted by:

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Lisa H. Anglin, Clerk